

**From:** Neil Hoobler [mailto:nhoobler@suprememfg.net]  
**Sent:** Saturday, December 13, 2014 2:43 PM  
**To:** Chris A. Di Lillo  
**Subject:** MAXUS FEE AND FUTURE PROJECTS

Chris,

In the initial stages of negotiating the P.O. with the customer, they were going to require a performance bond to guarantee their down payment and progress payments. Hanover Insurance was willing to provide a performance bond. The fee was going to be 3% for the bond and .5% for monthly funds monitoring for a total cost to Supreme of \$285,834.50. That fee was higher than I expected, so I had a meeting to discuss this and other potential projects with Jeremy Bloom and Jason Rich. Jeremy said he thought Maxus could do it for less, and the fee would probably be 2%. The 2% fee (on the \$8+M selling price, even though the amount borrowed will be approx. \$6M), plus the estimated interest at 7-1/2% during construction was estimated to be \$295,722. The extra \$10K to use Maxus was acceptable to me, because I have several other projects that I want to JV with Maxus on. I was kind of blind sided and very surprised the other day when you said there would also be a 3% exit fee and a monthly monitoring fee. The monthly monitoring fee should be very, very minimal, as I will provide the worksheet along with the invoices that need paid. Maxus can deposit money in our account and Supreme will pay the bills. I don't want to jeopardize our relationship because I want to be able to work with Maxus on the projects mentioned below, but the extra 3% exit fee makes the Maxus financing way more expensive than the performance bond, and is not acceptable to me. Will you drop the exit fee?

Some of the projects that I want to work with Maxus on are:

Marianna Hi-Cal in Florida. This is the project that I emailed the information on. It has huge potential for generations. The owner is older and is ready to sell. He wants this property to be developed and can't get it done himself.

My brother is leasing a nice sized sand and gravel deposit near New Castle, PA. There is a need for a dredge and processing plant. Rather than him doing it all on his own, I've suggested to him that Maxus and JDH Enterprises (me) form a JV and purchase the silent partner at Slippery Rock Materials (SRM). The new property could be operated by SRM and we could provide the financing to install the processing equipment at the

EXHIBIT "C"

new sight. A smaller dredge could be installed at SRM's current location and operated for a few years in areas that wouldn't be practical for the large dredge that was discussed earlier this year. After a few years, the small dredge would be moved to the new leased property and the larger dredge can be manufactured for SRM's main location. There also a small operation near Titusville, PA that we toured this past week. The owner had a stroke and is wanting to sell. This is a small, profitable operation and the asking price is only \$750K. That price is very reasonable, since it would take one to two years and several hundred thousand dollars to get a new pit licensed and permitted. It would be a nice complement to the SRM family.

There are two other operations in Florida that are interested in us providing contract dredging with our equipment. Many of our other potential customers would be interested in a lease arrangement.

How do we move forward on some of these other projects?

Neil